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No. 94-1437

IN THE

Supreme Court of the United States

OCTOBER TERM, 1994

CONOPCO, INC. d/b/a CHESEBROUGH-POND'S USA CO.,
Petitioner,

v.

MAY DEPARTMENT STORES COMPANY, VENTURE STORES, INC.,
THE BENJAMIN ANSEHL COMPANY, and KESSLER CONTAINERS, LTD.,
Respondents.

On Petition for a Writ of Certiorari to the
United States Court of Appeals for the Federal Circuit

BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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QUESTIONS PRESENTED

I. Whether Section 43(a) of the Lanham Act permits a court to ignore the prominence of a retailer's own competing logo or mark and the absence of any actual confusion over many years of side-by-side competition in determining whether a likelihood of confusion exists.

II. Whether an inference of confusion which arises from an intent to copy creates an irrebuttable presumption of a likelihood of confusion.

III. Whether a court may apply the patent doctrine of equivalents so as to effectively nullify an express requirement of a patent claim.

LIST OF PARTIES

Pursuant to Rule 29.1 of the Rules of this Court, Respondents The Benjamin Ansehl Company and Kessler Containers, Ltd. state that the only parties to this action are those listed in the caption. Respondents have no parent or subsidiary companies to be listed.

Conopco	Conopco, Inc., d/b/a Chesebrough Pond's USA Co.
Kessler	Kessler Containers, Ltd.
Venture	Venture Stores, Inc.
May	May Department Stores Company
Ansehl	The Benjamin Ansehl Company

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Respondents The Benjamin Ansehl Company ("Ansehl") and Kessler Containers, Ltd. ("Kessler") respectfully request that this Court deny the Petition for Writ of Certiorari seeking review of the Opinion of the United States Court of Appeals for the Federal Circuit. That Opinion is reported at 32 U.S.P.Q.2d 1225.

STATEMENT OF THE CASE

I. Overview

There is no reason for this Court to grant Conopco's Petition for Writ of Certiorari. To justify certiorari, Conopco claims that

the decision of the Federal Circuit conflicts with the law of the Second Circuit as reflected in *Oral-B Laboratories, Inc. v. Mi-Lor Corp.*, 810 F.2d 20 (2nd Cir. 1987) (*"Oral-B"*). This contention is not even colorable. Conopco asks this Court to transform an inference of confusion[1] into an irrebuttable presumption which would dispense with the need for any proof of likelihood of confusion and rewrite Section 43(a) of the Lanham Act. None of the cases Conopco cites stand for this proposition.

Focusing on contrived "conflicts" between the Federal Circuit's decision and *Oral-B*, Conopco doesn't mention the Federal Circuit's reliance on a later decision of the Second Circuit in *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 973 F.2d 1033 (2nd Cir. 1992) (*"Bristol-Myers"*). The Federal Circuit's decision is entirely consistent with *Bristol-Myers*. Indeed, *Bristol-Myers'* facts are clearly more analogous to the facts of this case than *Oral-B's*. Conopco's failure to mention *Bristol-Myers*, much less explain how the Federal Circuit's decision could be in conflict, proves the frivolousness of its Petition.

Conopco states that the Federal Circuit's decision sets different standards for private label manufacturers and national brands such as VICL. On the contrary, the Federal Circuit's reliance on *Bristol-Myers* demonstrates the application of the same standards to both kinds of competitors. The applicable legal standards are the same for national brand or private label competitors. Conopco, not the Federal Circuit, is attempting to set different standards.

Preferring to mischaracterize the Federal Circuit's decision as an aberration, at odds with established law, Conopco never tells this Court what the Federal Circuit actually said or the stated basis for its decision. The Federal Circuit expressly held that the

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[1] The Federal Circuit applied Eighth Circuit law to the trade dress and trademark claims in this case. The Eighth Circuit has recognized an inference of likelihood of confusion upon proof of intent to copy. *Squirt Co. v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980) (*"Squirt Co."*).

District Court's finding of a likelihood of confusion was "clearly erroneous" because

> [t]he unique and extensive appearance of [the Venture] logo in the store parking lot, on store signs, on employees' badges, in Venture's frequent and periodic print and television advertisements, and on other private label items sold by Venture, the large volume of Venture's annual sales . . . and the dearth of evidence that consumers ever purchased the Venture brand thinking it to have originated from Conopco despite the extended (over 10 year) period over which the original and relaunched products were sold alongside the Venture brand, give rise to the expectation that consumers . . . use [the Venture] logo to successfully distinguish between the two brands.

Conopco Inc., d/b/a Chesebrough-Pond's USA Co. v. May Department Stores Co., et al., ___ F.3d ___, 32 U.S.P.Q.2d 1225, 1232 (Fed. Cir. 1994) (footnotes omitted) (Petition Appendix A at 16-17a) ("*Pet.*").

In making this determination, the Federal Circuit expressly relied, in part, upon established law in other circuits, reversing findings of confusion for the very reasons cited here. (*Pet.* at 18a and cases cited). This determination is completely consistent with the law in the Second Circuit and correctly applies the law of the Eighth Circuit as well.

Conopco follows the same misleading approach when it tells this Court that the Federal Circuit refused to apply an inference of confusion or to apply the clearly erroneous standard of review. Conopco's Petition for Writ of Certiorari (*Pet.* pp. 9-10).

In suggesting that the Federal Circuit applied the wrong legal standards, Conopco once again avoids mentioning what the Federal Circuit actually said. In fact, the Federal Circuit's opinion expressly recognized and applied both legal principles. Conopco's quarrel is with the Federal Circuit's application of the proper

legal standards to the facts and circumstances of this case, not with its choice of the proper standards. Such "fact-bound" issues do not merit certiorari. *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 859 (1982) (White, J. concurring).

II. Factual Background

A. While prominently displaying its own distinctive trademark, Venture has always marketed its lotion as comparable to VICL.

Historically, Venture stores sell not only national brand items but also, under Venture's own trademarks, hundreds of private label items which compete with national brands.[2] Venture routinely packages and labels these items to allow Venture customers to identify them as comparable, but lower-priced alternatives to the high-volume national brands (A18, 27668-72, 27677-8, 11593, 24836, 24859).[3]

Venture's distinctive striped trademark or logo appears on every one of the hundreds of Venture private label items sold in Venture stores. It appears on signs in front of the stores, on signs throughout the stores, on the name badges of Venture employees and in weekly advertising circulars. Customers cannot enter a Venture store without seeing its distinctive trademark. (A27669-71, 27683-85). Every sale of Venture lotion occurs in a Venture store surrounded by Venture's distinctive logo.

Between 1979 and July, 1989, Conopco sold regular VICL in a yellow bottle with a blue and green label. The trademarks "Vaseline" and "Intensive Care" appeared in the lower blue panel of the label (A11596).

During that same time, Venture sold its own private label lotion in yellow bottles with blue and green labels, without any

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[2] Venture is a major discount retailer in the midwest with over $1 billion in annual sales. (*Pet.* at 17a).

[3] References are made to pages of the Appendix filed in the Federal Circuit.

complaint from Conopco.[4] Between 1982 and 1989, all Venture lotion bottles bore the distinctive black-and-white striped trademark on the upper green panel of the label.[5] Photographs of the original VICL and Venture bottles, Defendants' Ex. H-2 and H-8, respectively, are reproduced in the Appendix. (*See* Appendix B).

In 1986, Conopco decided to modify the VICL package and designed a new bottle. (A11-32). Conopco retained VICL's original yellow, green and blue color scheme, a color scheme common to many lotion products. It also enlarged and repositioned the Vaseline Intensive Care trademark on the label. (A13-14, 25, 3772-77, 4804-09).

In 1989, Ansehl redesigned the Venture bottle to remain comparable to VICL. As a result of the redesign, after the relaunch, the Venture and VICL products resembled each other less than the original versions. Venture did not reposition the blue and green panels of the label as Conopco did. After the relaunch, the Venture and VICL lotions were no longer sold in identical bottles. (A27822-24, 11593, 11595). Photographs of the revised VICL and Venture bottles, Defendants' Ex. H-6 and Plaintiff's Ex. 3, respectively, are reproduced in the Appendix. (*See* Appendix C).

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[4] During the 1980's, Conopco's VICL competed with as many as 50 or 60 private label products. Like VICL, most of the private label lotions were sold in yellow bottles with blue and green labels. (A3728, 3913-14).

[5] Conopco tells this Court that before the VICL relaunch, Venture lotion bottles bore the Venture name and that after the relaunch, Venture "removed" its name from the bottles. Before 1989, only a seasonal promotion of Venture lotion bore its name. Conopco failed to tell this Court that the vast majority of Venture lotion bottles sold every day between 1982 and 1989 displayed only its distinctive logo. (*See* Appendix A, Trial Transcript Volume 3, Testimony of Kip Bowers, p. 100).

B. Despite a long history of side-by-side competition, there has been no actual confusion between the Venture and VICL products.

For more than ten years before the "relaunch", VICL and Venture lotion were sold side-by-side in identical yellow bottles with blue and green labels. VICL's label bore its trademark. Venture's label prominently displayed its distinctive logo. Despite the similarity in packaging, there was not a single instance of actual confusion and Conopco never complained about Venture's pre-relaunch packaging. (A5928-30).

After the relaunch, VICL and Venture lotions were sold side-by-side in different bottles having green and blue panels in different positions. The Venture bottle continued to prominently display Venture's distinctive trademark amid hundreds of other Venture products bearing the same trademark. Still, there were no complaints of confusion.

Conopco spent $35 million on an ad campaign which generated more than $109,000,000 in sales in 1990, representing the sale of perhaps as many as 100 million bottles of VICL (A9). Conopco invited customers' comments by displaying an "800" number on the back of the bottle (A11595). Conopco presented no evidence that anyone ever called to complain about the Venture lotion packaging. There was no evidence of any actual confusion between the VICL and Venture products. Conopco found one person, Mrs. Sickles, who claimed to be confused about whether Conopco manufactured the skin care lotion contained in a Target bottle.[6] One instance of confusion equates to one one-millionth of one percent (1/1,000,000 of 1%) of Conopco's sales. It is not surprising, therefore, that Conopco made a conscious decision NOT to conduct a confusion survey. (A27392).

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[6] Conopco does not challenge the Federal Circuit's determination that Mrs. Sickles was not actually confused, i.e. that the finding of "actual confusion" was clearly erroneous.

III. Proceedings Below

Respondents appealed from the judgment of the District Court finding patent, trade dress and trademark infringement in connection with their manufacture and sale of the Venture skin care lotion. *Conopco, Inc. v. May Dept. Stores Co.*, 784 F. Supp. 648 (E.D.Mo. 1992). On September 21, 1994, the Federal Circuit reversed the judgment of patent, trade dress and trademark infringement, vacating the injunction, award of damages, enhanced damages and attorneys' fees. Conopco petitions this Court for review on limited grounds, i.e., the Federal Circuit's determination that the findings of likelihood of confusion and application of the doctrine of equivalents were clearly erroneous. For all the reasons explained below, this Court should deny the petition.

REASONS FOR DENYING THE PETITION

I. Standard for Granting Certiorari

Conopco urges this Court to substitute its views for those of the Federal Circuit on issues customarily handled and uniformly decided by Courts of Appeals. Although this Court has broad discretion to accept or reject a case, jurisdiction "was not conferred upon this court merely to give the defeated party in the circuit court of appeals another hearing." *Magnum Import Co. v. Coty*, 262 U.S. 159, 163 (1923) (Taft, J.).

> [T]he Supreme Court is not simply another court of errors and appeals. Its role is a distinctive and an essential one in our legal and constitutional order: to define and vindicate the rights guaranteed by the Constitution, to assure the uniformity of federal law, and to maintain the constitutional distribution of powers in our federal union.

Report of the Study Group Caseload of the Supreme Court, 57 F.R.D. 573, 578 (Dec. 1972).

This Court does not grant writs of certiorari "except in cases involving principles . . . of importance to the public as distinguished from that of the parties, and in cases where there is a real and embarrassing conflict of opinion and authority between the circuit courts of appeals." *Layne & Bowler Corp. v. Western Well Works*, 261 U.S. 387, 393 (1923) (Taft, J. in dismissing an improvidently granted writ of certiorari). This case presents no such "embarrassing conflict" and lacks any issue of importance to the public. This case does not meet the high threshold of importance that warrants review by this Court.

II. No Conflict Exists Between The Decision of The Federal Circuit in This Case and The Law of The Second Circuit

Conopco claims that there is a conflict between the Federal Circuit's decision and the law of the Second Circuit in *Oral-B*

Laboratories, Inc. v. Mi-Lor Corporation, 810 F.2d 20 (2nd Cir. 1987). Conopco is wrong for two reasons:

First, *Oral-B's* reference to an inference of a likelihood of confusion was pure dicta. The Second Circuit in *Oral-B* never considered the evidence necessary to rebut an inference of confusion.

Secondly, the Federal Circuit's decision is completely consistent with *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 973 F.2d 1033 (2nd Cir. 1992) which overturned a finding of likelihood of confusion for the same reasons as the Federal Circuit. There is no conflict between the decision of the Federal Circuit and the law of the Second Circuit.

A. *Oral-B* never considered the issue decided by the Federal Circuit because of the procedural posture of the case.

In *Oral B*, the Second Circuit affirmed the District Court's order of contempt based upon Mi-Lor's alleged violation of an injunction which enjoined Mi-Lor from using toothbrush boxes that were confusingly similar to or colorably imitated Oral-B's trade dress. Mi-Lor did not appeal from the original finding of trade dress infringement.

Consequently, the Second Circuit did not consider the sufficiency of the evidence to uphold a likelihood of confusion finding. On the contrary, it applied a much more stringent test applicable to review of the contempt order, i.e. whether Mi-Lor's redesigned toothbrush package was a "safe distance from the line drawn by the district court's injunction." *Oral-B*, 810 F.2d at 24. *See also Service Ideas, Inc. v. Traex Corp.*, 846 F.2d 1118 (7th Cir. 1988); *3 McCarthy on Trademarks and Unfair Competition*, ¶30.13. (3rd Ed. 1994).

Unlike the record before the Federal Circuit, the only evidence before the Second Circuit in *Oral-B* was actual toothbrush

boxes. *Oral-B*, 810 F.2d at 23. *Oral-B* never considered the kind of evidence that might rebut an inference of a likelihood of confusion. *Oral-B* simply has no application to the facts of this case. It does not even apply the same legal principles.

B. There is no conflict between the law of the Second Circuit and the Federal Circuit because *Bristol-Myers* fully supports and, in fact, is relied upon by the Federal Circuit as a basis for its decision.

The Second Circuit did address the effect of a competitor's use of its own name, trademark or logo on the issue of likelihood of confusion in *Bristol-Myers*. In *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 973 F.2d 1033 (2nd Cir. 1992), the Second Circuit reversed the District Court's finding of a likelihood of confusion in spite of and without reversing the finding that McNeil, the manufacturer of TYLENOL PM, copied the trade dress of EXCEDRIN PM in bad faith.[7] *Id.* at 1044. The basis for the Second Circuit's decision to reverse was the prominence of the TYLENOL PM name on the package. The prominence of the Tylenol name distinguished the two products:

> Despite the similarity between certain aspects of the two trade dresses, . . . the prominent presence of well known trade names goes far toward countering any suggestion of

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[7] Conopco returns again and again to the refrain that the Federal Circuit overturned only two findings of fact, i.e. the finding of actual confusion and the finding of likelihood of confusion. *Pet.* at 9-10, 14-15 and 19. Conopco's principal complaint is that the Federal Circuit could not leave undisturbed a finding of intentional copying and at the same time overturn a finding of likelihood of confusion. This argument is fatally flawed. First, it elevates an inference under Eighth Circuit law to the level of an irrebuttable presumption. Second, *Bristol-Myers* and other cases cited by the Federal Circuit have overturned such findings of confusion under the same circumstances. *See, e.g., L. A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117 (Fed. Cir. 1993), *cert. denied*, _ U.S. _, 114 S.Ct. 291 (1993).

> consumer confusion arising from other factors .... Even McNeil's bad faith in adopting many elements of the "Excedrin PM" trade dress does not alter that conclusion.

Id. at 1047. *See also Centaur Communications, Ltd. v. A/S/M Communications, Inc.*, 830 F.2d 1217, 1228 (2nd Cir. 1987) (intent to copy does not establish a Lanham Act violation).

The Federal Circuit expressly relied upon *Bristol-Myers* in reaching its decision and reversed the District Court's finding of confusion for the same reason:

> Our point is that — in view of the prominent placement of the Venture logo on the front of the Venture product, the extensive exposure consumers have had to that logo, and the extended time period over which consumers have been able to distinguish the Venture and Conopco brands without any apparent confusion — the findings made by the court do not support a conclusion that consumers associate the Venture brand with Conopco, rather than with Venture.

(*Pet.* at 23a).

Conopco's claimed "conflict" between the circuits is completely frivolous. The Second Circuit has never adopted the principle that intentional copying, without more, establishes a likelihood of confusion and the Federal Circuit's decision does not contain a hint of a conflict with *Oral-B*. More importantly, the Second Circuit's decision in *Bristol-Myers* proves the error of Conopco's reasoning. The prominence of the competitor's name, trademark or logo may overcome any inference of confusion arising from a finding of intentional copying, as the Federal Circuit found in this case. The District Court's failure to even consider this evidence was clear error.

III. The Federal Circuit Followed and Applied The Law of The Eighth Circuit in Reversing the Finding That Consumers Were Likely to Be Confused Between The Venture and VICL Trade Dress

In *Squirt Co. v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980), the Eighth Circuit recognized that "[i]ntent on the part of the alleged infringer to pass off its goods as the product of another raises an inference of likelihood of confusion. . . ." Conopco persistently mischaracterizes the Federal Circuit's decision as refusing to apply the inference of confusion adopted in *Squirt Co.* (*Pet.* at 10). It is incredible that Conopco can make such a statement when the Federal Circuit expressly accepted the trial court's application of the *Squirt Co.* inference. (*Pet.* at 16a).

Recognizing that an inference may, by definition, be rebutted is not dismissing it as "inconsequential" as Conopco claims. Standing alone, an inference may be sufficient to support a finding of likelihood of confusion. In this case, however, the inference was completely rebutted by evidence which the District Court chose to ignore. The Federal Circuit reversed the ultimate finding of likelihood of confusion for two reasons which the District Court failed to consider:

(1) the prominence of the Venture logo, and

(2) the dearth of evidence of confusion given the history of competition between the parties.

Eighth Circuit law is clear that the presence of either or both of these factors may overcome an inference of confusion. For example, in *Litton Systems, Inc. v. Whirlpool Corp.*, 728 F.2d 1423 (Fed. Cir. 1984) ("*Litton*"), the Federal Circuit applied Eighth Circuit law to reverse a finding of a likelihood of confusion between the trade dress of Litton and Whirlpool microwave ovens because the district court failed to consider Whirlpool's display of its tradename on the front of the micro-

wave oven. Relying upon *Venn v. Goedert*, 319 F.2d 812, 816 (8th Cir. 1963), *Litton* held that use of the alleged infringer's own trademark dispelled any likelihood of confusion despite the overall similarity in appearance of the two ovens. *Litton*, 728 F.2d at 1446. Other circuits have also found that display of the name, trademark or logo of the alleged infringer made a finding of likelihood of confusion "clearly erroneous."[8]

Likewise, in *Toro Co. v. R & R Products Co.*, 787 F.2d 1208, 1215-16 (8th Cir. 1986), the Eighth Circuit approved an instruction that little evidence of actual confusion over years of direct competition may be considered by the jury as indicative of no palming off.[9]

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[8] *E.g., L. A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1134 (Fed Cir. 1993), *cert. denied*, _ U.S. _, 114 S.Ct. 291 (1993) ("We conclude that the conspicuous and permanent placement of the trademarks of L.A. Gear as well as the copyist . . . clearly outweigh the similarities in the shoe design insofar as consumer confusion as to source is avoided."); *Bristol-Myers Squibb Co.*, 973 F.2d at 1047; *Versa Products Company, Inc. v. Bifold Company Ltd.*, __ F.3d __, 33 U.S.P.Q.2d 1801, 1819 (3rd Cir. 1995) ("Bifold's labeling will suffice to dispel any confusion about the valve's source that the configuration of the Domino Junior valve might otherwise engender in purchasers who exercise ordinary care.").

[9] *Accord, Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 263 (5th Cir. 1980), *cert. denied*, 449 U.S. 899 (1980) ("the fact that only three instances of actual confusion were found after nearly 15 years of extensive concurrent sales under the parties' respective marks raises a presumption against likelihood of confusion . . ."); *Oreck Corp. v. U.S. Floor Systems, Inc.*, 803 F.2d 166, 173 (5th Cir. 1986), *cert. denied*, 481 U.S. 1069 (1987) ("In light of the concurrent use of the STEAMEX DELUXE 15 XL name and Oreck's XL mark for seventeen months, Oreck's inability to point to a single incident of actual confusion is highly significant."); *Bristol-Myers*, *supra* at 1047 (no evidence of actual confusion); *Versa Products Company, Inc. v. Bifold Company Ltd.*, 33 U.S.P.Q.2d at 1812 ("If a defendant's product has been sold for an appreciable period of time without evidence of actual confusion, one can infer that continued marketing will not lead to consumer confusion in the future.").

The Federal Circuit properly applied the *Squirt Co.* inference as "inferentially or presumptively relevant" to analysis of the issue. (*Pet.* at 16a.) It also recognized the law and the evidence which the lower court chose to ignore. The District Court's failure to consider the important factors of Venture's own trademark and the historical absence of confusion was clear error in light of the decisions in *Litton*, *Venn* and *Toro*.

IV. The Circuit Courts Are Uniformly Interpreting The Lanham Act's Requirement of Likelihood of Confusion

The Federal Circuit documented its decision to overturn the District Court's finding of a likelihood of confusion, harmonizing the law of the Eighth Circuit with the law of other circuits on this issue. (*Pet.* at 15a-22a). Its discussion of the issue demonstrates a strong consensus among the circuits that lower courts should consider carefully the effect of the alleged infringer's labelling and the absence of actual confusion before finding infringement. In other words, there is substantial uniformity among the circuits in the decisions on this issue. The Circuit Courts of Appeals are uniformly interpreting the Lanham Act's requirement of a likelihood of confusion.[10]

V. The Lanham Act Does Not Forbid Copying

Conopco complains that the Federal Circuit's decision destroyed its expectation that the Lanham Act protected it from copying by competitors. It claims that national brands have operated under the mistaken impression that proof of intentional copying was all that was necessary to obtain a judgment of trade

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[10] Conopco cites several district court cases for the proposition that intentional copying is all that is required for a finding of confusion. (*Pet.* at 12 n. 9). None of these decisions addresses the production of evidence to rebut an inference of confusion. None addresses the effect of the alleged infringer's distinctive name, trademark or logo in negating an inference of confusion.

dress infringement.[11] That has never been the law. Nor can Conopco say that it assumed it did not have to prove likelihood of confusion. Obviously, Conopco was concerned about its ability to prove a likelihood of confusion. It made a conscious decision *not* to commission a confusion study.

Section 43(a) of the Lanham Act makes "likelihood of confusion" an essential element of any such claim. Even the *Squirt Co.* decision, in which Conopco places such great faith, says that intent is a factor to consider but "not an element of a claim for trademark infringement." 628 F.2d at 1091.

Time and again, this Court has made clear that mere copying is not actionable. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964). On the contrary, a primary purpose of the Lanham Act is to foster fair competition. The Lanham Act recognizes competitors' broad rights to imitate successful product designs. *See, Versa Products Company, Inc. v. Bifold Company Ltd., supra* at 2852; *L. A. Gear, Inc. v. Thom McAn Shoe Co., supra* at 1131. Only copying which threatens to mislead the customer as to source is actionable. Quoting from *Crescent Tool Co. v. Kilborn & Bishop Co.*, 247 F. 299, 301 (2nd Cir. 1917) (L. Hand, J.), this Court recently remarked:

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[11] Respondents take issue with Conopco's finding, adopted by the District Court, that they intended to infringe its trade dress, to confuse the public or to "palm off" the Venture lotion as VICL. Prominent display of the Venture logo is inconsistent with such a finding as is the statement on the Venture bottle itself advising the customer that the Venture lotion was not manufactured or distributed by Chesebrough-Ponds. A competitor's decision to imitate certain aspects of trade dress but make the products distinguishable in other respects is not an intent to infringe. *Cf. American Home Products v. Barr Laboratories*, 834 F.2d 368, 371 (3rd Cir. 1987).

> [T]he plaintiff has the right not to lose his customers through false representations that those are his wares which in fact are not but he may not monopolize any design or pattern, however trifling. *The defendant, on the other hand, may copy plaintiff's goods slavishly down to the minutest detail but he may not represent himself as the plaintiff in their sale.*

Bonito Boats, 489 U.S. at 157 (emphasis added).

Undaunted by the absence of any evidence of confusion in the record, Conopco urges this Court, in effect, to take judicial notice that copying promotes public confusion. (*Pet.* at 15). Citing *Badger Meter, Inc. v. Grinnell Corp.*, 13 F.3d 1145 (7th Cir. 1994), Conopco says, on the one hand, that private label and store brand practices inherently confuse consumers. (*Pet.* at 18). Only two pages earlier, Conopco explained that modern-day consumers like Mrs. Sickles are savvy and understand the private label business practices. (*Pet.* at 16).

Conopco cannot have it both ways. It cannot rely upon Mrs. Sickles' knowledge of private label practices to establish confusion. Nor is a vague consumer awareness that some national manufacturers produce private label products evidence that consumers would be confused by the similarities between VICL and the Venture trade dress, particularly in the absence of any evidence that Conopco engaged in such practices.[12] This Court should not substitute idle speculation about consumer knowledge of private label practices for the record in this case.

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[12] In contrast to the record here, in *Badger Meter, Inc. v. Grinnell Corp.*, *supra* at 1149, there was evidence that the defendant had historically sold national brand products under its own private label and that this fact was well-known to consumers.

VI. Certiorari is Not Appropriate to Review The Federal Circuit's Application of The "Clearly Erroneous" Standard

The Federal Circuit expressly applied the "clearly erroneous" standard to reverse the finding of likelihood of confusion:

> We are thus left with a "definite and firm conviction" that the District Court erred in concluding that likelihood of confusion had been established .... The court thus clearly erred in awarding injunctive relief, and the judgment of the court in that regard is reversed.

(*Pet.* at 22a). Notwithstanding the Federal Circuit's express reliance on the correct legal standard, Conopco complains that the Federal Circuit impermissibly reweighed the evidence, i.e. improperly applied the clearly erroneous standard to the facts of this case.

The improper application of the correct legal standard is not an issue that has historically merited the attention of this Court. Conopco argues that this Court polices application of the "clearly erroneous" rule, reversing appeals decision for failing to defer to the factual findings of the trial court. (*Pet.* at 21 n. 17). The cases cited by Conopco were reversed by this Court because the Court of Appeals failed to apply the "clearly erroneous" standard or to say what standard it did apply. *Amadeo v. Zant*, 486 U.S. 214, 223 (1988); *Dennison Mfg. Co. v. Panduit Corp.*, 475 U.S. 809, 811 (1986); *Icicle Seafoods, Inc. v. Worthington*, 475 U.S. 709, 714 (1986).[13]

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[13] Only *Anderson v. City of Bessemer City*, 470 U.S. 564 (1985) involved the Court of Appeals' express application of the "clearly erroneous" standard. This Court reversed because the Court of Appeals ignored explicit directions in Fed.R.Civ.P. 52 that the appellate court respect the judgment of the trial court on issues of credibility. The Federal Circuit made no credibility findings here.

As this Court stated in *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844 (1982):

> Furthermore, if the issue presented in the petitions for certiorari had been whether the clearly erroneous standard, although properly invoked was erroneously applied, it is doubtful in my mind that this fact-bound issue would have warranted certiorari.

Id. at 850. (White, J. concurring).

The Federal Circuit properly applied the clearly erroneous standard in this case to reverse the finding of likelihood of confusion. The Courts of Appeals have authority to reverse factual findings when left with the "definite and firm conviction that a mistake has been committed." *United States v. United States Gypsum Co.*, 333 U.S. 364, 395 (1948). The clearly erroneous standard does not free the District Court of the burden of "coming to grips" with conflicting evidence. *Griffin v. City of Omaha*, 785 F.2d 620 (8th Cir. 1986); *Tate v. Weyerhauser Co.*, 723 F.2d 598, 605 (8th Cir. 1983), *cert. denied*, 469 U.S. 847 (1984).

The District Court's findings of fact and conclusions of law were adopted almost verbatim from Conopco's proposed findings.[14] Conopco's findings ignored any evidence that contradicted its theory of the case. Consequently, the District Court never addressed or considered undisputed evidence concerning the prominence of the Venture trademark or the absence of confusion over years of side-by-side competition. Both factors are important considerations in the Eighth Circuit's standard for

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[14] It is true that the District Court's complete reliance upon Conopco's proposed findings does not change the standard of review. It is also true that the Federal Circuit was not bound to disregard "the apparent absence of personal attention" by the trial court. *Lindemann Maschinenfabrik GMBH v. American Hoist and Derrick Co.*, 730 F.2d 1452, 1457 (Fed. Cir. 1984).

determining likelihood of confusion. *See, Litton Systems, Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1446-47 (Fed. Cir. 1984); *Venn v. Goedert*, 319 F.2d 812, 816 (8th Cir. 1963); *Toro Company v. R & R Products Co.*, 787 F.2d 1208, 1215-16 (8th Cir. 1986). Having failed to "come to grips" with conflicting evidence, the District Court's finding of likelihood of confusion was clearly erroneous and the Federal Circuit was entirely correct.

VII. No Conflict Exists Between This Court's Patent Decision in *Graver Tank* and The Federal Circuit's Decision Below

Petitioner's Question IV lacks any "special important reason" for granting certiorari as required by Rule 10.1 of this Court.

The patent claim at issue[15] simply limits Conopco's patent right to cosmetic lotions containing, *inter alia*, two previously used chemical ingredients[16] in a unique range of ratios between "about 40:1" and "about 1:1." (*Pet.* at 3a-4a). The Federal Circuit unanimously ruled that Ansehl's lotion did not infringe Conopco's patent when using a substantially reduced amount of one of the two ingredients, resulting in a ratio of 162.9:1 — far outside the claimed range.[17] (*Pet.* at 9a). This case merely presents the frequently-encountered situation where a material limitation of a claim (*i.e.*, a stated range of ingredient ratios) is

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[15] Claim 1 of U.S. Patent No.4,939,179.

[16] Isoparaffin and alkyl phosphate salt.

[17] Contrary to Conopco's assertion that the Federal Circuit reversed "without finding any error in the District Court's underlying findings and conclusions" (*Pet.* at 24), the Federal Circuit *rejected* the District Court's finding of equivalency under the tripartite function/way/result test as "clearly erroneous." (*Pet.* at 8a). Question IV therefore presupposes a clearly erroneous finding (i.e., that "the composition . . . satisfied the tripartite test for equivalency").

missing from the accused product, and nothing alleged to be an "equivalent" has been added to make up the crucial difference.[18]

Conopco argues that the Federal Circuit's decision undermines the policy of the doctrine of equivalents, but refers (without specific citation) only to a dissenting opinion by two justices in *Graver Tank v. Linde Air Products Co.*, 339 U.S 605, *reh'g denied*, 340 U.S. 845 (1950). The patent in *Graver Tank* did not claim a numeric range of ingredients, and the Court majority considered the equivalency issue to be one of *substitution* of another ingredient for a claimed ingredient, where specialists familiar with the technology understood that this other ingredient was equivalent to and could be substituted for the claimed ingredient.[19] *Id.*, 339 U.S. at 610, 612.

In contrast, nothing "equivalent" was added to Ansehl's lotion in place of, or to make up for the shortage of, a claimed ingredient. Thus, unlike *Graver Tank*, this case presents *no* issue of "substitution" of any material that would cause the ratio of Ansehl's components to be equivalent to anything other than what it is: 162.9:1. The Federal Circuit properly concluded under the facts of this case that simply treating 162.9:1 as equivalent to 40:1, without more, "would eviscerate the plain

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[18] *See Aluminum Co. of America v. Thompson Products, Inc.*, 122 F.2d 796, 800 (6th Cir. 1941) (.04 to 0.45% nickel not equivalent to "about 0.5 to 7% nickel"); *Clopay Corp. v. Blessings Corp.*, 422 F. Supp. 1312, 1324-1326 (D.Del. 1976) (2 mil film not equivalent to "about 1 mil"); *Robert Dairy Co. v. United States*, 530 F.2d 1342, 1351, 1359 (Ct. Cl. 1976) (adopting opinion of trial judge that preheating between 100°F. and 125°F. not equivalent to preheating to "approximately 135°F."); *Thomas French & Sons, Ltd. v. Krauss*, 19 F. Supp. 889, 892 (E.D.N.Y. 1937) (4 inch ring not equivalent to diameter of said ring being "approximately 5 inches").

[19] "The question which thus emerges is whether the substitution of the manganese which is not an alkaline earth metal for the magnesium which is, . . . , is a change of such substance as to make the doctrine of equivalents inapplicable ...? *Id.*, 339 U.S. at 610.

meaning of that limitation." (*Pet.* at 8a). In so doing, that court merely followed its own well-settled precedent. *E.g.*, *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931, 935 (Fed. Cir. 1987) (in banc), *cert. denied*, 485 U.S. 961 (1988) ("'[A] court may not, under the guise of applying the doctrine of equivalents, erase a plethora of meaningful structural and functional limitations of the claim....'") (quoting *Perkin-Elmer v. Westinghouse Elec. Corp.*, 822 F.2d 1528, 1532 (Fed. Cir. 1987)); *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1540 (Fed. Cir. 1991).

There being no conflict between *Graver Tank* and the decision below, the Petition should be denied as to Question IV.

CONCLUSION

Conopco has failed to demonstrate the existence of any issue that merits the attention of this Court. There is no conflict between the Federal Circuit's decision and the law of the Second Circuit. On the contrary, the Federal Circuit's decision demonstrates near unanimity on the issue presented to this Court. The Second, Third, Fifth, Eighth and Federal Circuits agree. The prominence of the defendant's name, trademark or logo and/or the absence of actual confusion despite a history of competition negate a finding of a likelihood of confusion in trade dress infringement cases.

The Federal Circuit correctly applied the "clearly erroneous" standard of review in overturning the District Court's finding a likelihood of confusion between the Venture and VICL products. The District Court's failure to consider conflicting evidence in light of clear authority in the Eighth Circuit was "clearly erroneous." This Court should deny Conopco's Petition for Writ of Certiorari.

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APPENDIX A

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI

ST. LOUIS, MISSOURI
September 18, 1991

Case No. 90-1475C(3)

CONOPCO, INC., d/b/a CHESEBROUGH-PONDS USA,

V.

MAY DEPARTMENT STORES
VENTURE STORES, INC., BENJAMIN ANSEHL CO., &
KESSLER CONTAINERS,

Defendants.

TRIAL — VOLUME 3
(TESTIMONY OF MARGARET McNALLY, KIP BOWERS, NORMA BADOLATO AND DONALD BARRY)

BEFORE THE HONORABLE
WILLIAM L. HUNGATE, DISTRICT JUDGE

APPEARANCES:

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Transcribed by: Nancy E. Gass, C.E.R.

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* * *

[100]

A Green and blue.

Q And during what period of time was that label used?

A '86 to '87.

Q Could you turn the page, please? And what is shown on that page?

A. The first 15-fluid-ounce label for Venture.

Q And during what period of time was that label used?

A '87 through '91.

Q Now — and that is green and blue also predominantly?

A Yes.

Q Now, on all of those labels you've just reviewed, there's some white and black diagonal stripes. Do you see those?

A Yes.

Q What is that?

A That's a Venture's logo.

Q And was that always used on the Venture brand skin care lotion?

A Yes.

Q Are you aware of it being elsewhere — used elsewhere by Venture in connection with its merchandising of goods?

A Well, we put it on every private label item that we produce for Venture. And I've been through Venture's stores, and you can see the logo predominantly throughout their store.

* * *

APPENDIX B

COMPARISON OF ORIGINAL VICL AND VENTURE BOTTLES

APPENDIX C

COMPARISON OF REVISED VICL AND VENTURE BOTTLES